Government of Saskatchewan

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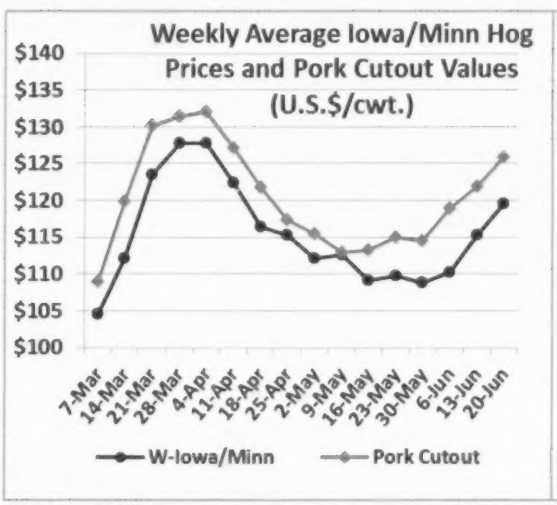
Weekly Hog Report

June 23, 2014

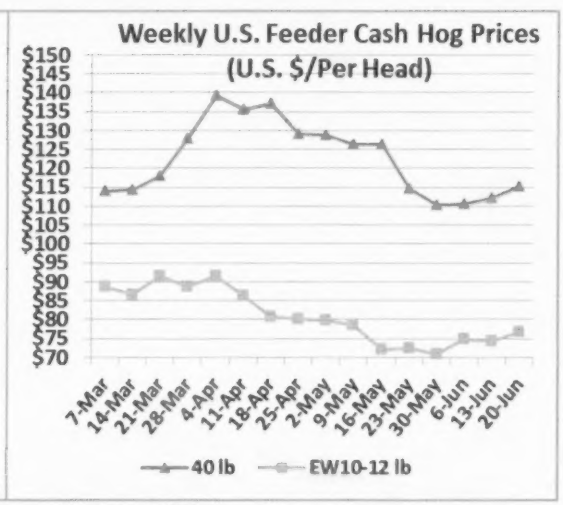
Over the last week there were no new cases of **Porcine Epidemic Diarrhea (PED)** identified in hog barns in Canada. There are currently 62 cases confirmed in hog barns in Ontario, two in Manitoba, one in PEI, and also one in Quebec for a total of 66 PED cases confirmed in hog barns in Canada. Out of these cases 29 are found in sow barns and 58 cases are found in finisher barns.

Cash Feeder Hog Prices

Last week North American (Iowa) iso-wean (10-12lb) cash hog prices and feeder (40lb) cash hog prices were higher. Weighted average cash prices for iso-weans (12lb) were US$76.75 per head, up US$2.57 per head from US$74.18 per head the previous week. Feeders (40lb) were US$115.27 per head, up US$3.04 per head from US$112.23 per head the previous week.



Source: LMIC



Source: LMIC

Cash Slaughter Weight Hog Prices

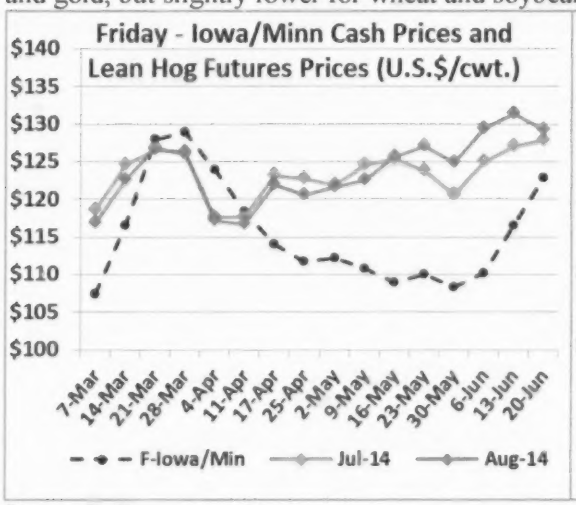
United States daily average cash hog prices moved higher over the week and ended the week higher, week-over-week. Daily average hog prices ranged between US$117.45 cwt and US$122.77 per cwt. Hog prices (Iowa/Minn) on Friday averaged US$122.77 per cwt, up US$6.27 per cwt or 5.4 per cent from US$116.50 per cwt the previous Friday. The negotiated base price for the week averaged US$119.61 per cwt, up US$4.28 per cwt or 3.7 per cent from US$115.33 per cwt the previous week. Stronger pork cutout values over the week which averaged US$125.81 per cwt helped push hog prices higher.

In Canada, the Signature#3 (Maple Leaf) Index 100 daily price for Friday June 20, 2014 was $237.36 per ckg, up $5.76 per ckg or 2.5 per cent from $231.60 per ckg the previous Friday. Signature#3 weekly prices (Friday to Thursday) averaged $234.88 per ckg, up $7.67 per ckg or 3.4 per cent from the previous weeks' average price of $227.21 per ckg. The Canadian dollar moved higher last week closing the week Friday at 93.01 cents, up 0.90 cents from the previous Friday's close of 92.11 cents.

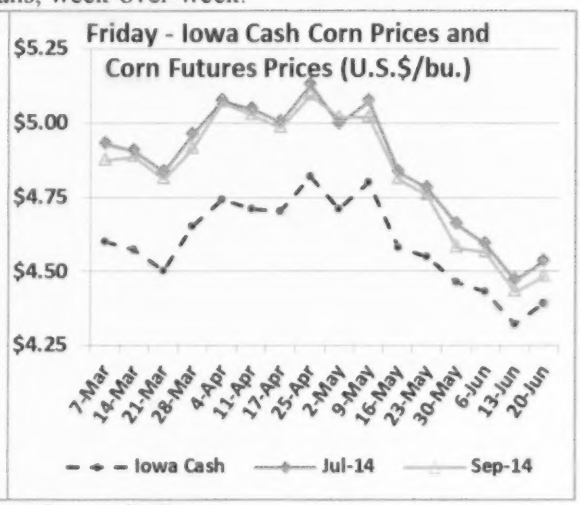
Futures Markets

Lean hog futures prices were mixed last week with the nearby July contract up US$0.825 per cwt to settle Friday at US$127.825 per cwt while the August contract was down US$2.125 per cwt to settle Friday at US$129.150 per cwt. The Friday Iowa/Minn average daily cash price was US$122.78 per cwt, US$5.05 per cwt lower than the July's lean hog futures price, a reversal from the previous week.

Prices for other United States nearby commodity futures were higher for corn, crude oil and gold, but slightly lower for wheat and soybeans, week-over-week.



Source: CME



Source: CME

Iowa cash corn prices and the nearby corn futures were higher over the week. The Iowa cash price on Friday was US$4.39 per bushel, up 7 cents from US$4.32 per bushel the previous Friday. The July corn futures contract was up over 6 cents to settle Friday at US$4.53¼ per bushel, while the September contract was up over 5 cents to settle Friday at $4.48¼ per bushel.

Hogs Slaughtered

U.S. hogs slaughtered under federal inspection last week for the week ending June 21 were estimated at 1.899 million head, down 0.8 per cent from 1.915 million head the previous week, and down 4.0 per cent from 1.978 million head from the same week a year ago. U.S. hogs slaughtered over the last four weeks ending June 21 averaged 1.871 million head, down 4.2 per cent from 1.952 million head the same four week period a year ago. Total hogs slaughtered from the first week in January 2014 have averaged about 2.034 million head per week, down about 3.2 per cent compared to 2.102 million head over the same period a year ago.

In Canada, federal and provincial hog slaughter numbers for the week ending June 14, 2014 were estimated at 394,835 head, up 2.3 per cent from 386,047 head the previous week, and up 2.9 per cent from 383,564 head the same week a year ago. Canadian hogs slaughtered over the last four weeks ending June 14 were estimated to average 376,927 head, up 0.7 per cent from 374,161 head over the same period a year ago.

In Western Canada, federal and provincial hog slaughter numbers for the week ending June 14, 2014 were estimated at 166,228 head, up 1.7 per cent from 163,512 head the previous week, and up 2.5 per cent from 162,256 head the same week a year ago. Western Canadian hogs slaughtered over the last four weeks ending June 14 were estimated to average 159,593 head, up 0.5 per cent from 158,870 head over the same period a year ago.

Meat Production

U.S. pork production for the week ending June 21 was estimated at 409.3 million lb., down 0.9 per cent from 413.2 million lb. the previous week, but up 1.1 per cent from 404.9 million lb. the same week a year ago. U.S. pork production over the last four weeks ending June 21 averaged 403.5 lb., up 0.7 per cent from 400.8 lb. over the same four weeks a year ago. Dressed hog weights were about 10 lb. or 4.9 per cent heavier compared to the same week a year ago.

U.S. beef production for the week ending June 21 was estimated at 484.5 million lb., up 1.6 per cent from 477.0 million lb. the previous week, but down 7.4 per cent from 523.4 million lb. over the same week a year ago.

Combined production of U.S. beef, pork, chicken and turkey over the four weeks ending June 14, 2014, was estimated at 1.889 billion lb., down 1.5 per cent from 1.918 billion lb. over the same four weeks a year ago, and down 1.7 per cent year-to-date.

United States Weekly Meat Production

(June 6) Four Week Average - Million Lb.			Percent Change	
	2013	2014	4wk. 2014	YTD 2014
Pork	406.0	406.9	0.2%	0.2%
Beef	499.9	467.3	-6.5%	-4.7%
Chicken	882.5	883.3	0.1%	-0.5%
Turkey	130.0	131.7	1.3%	-4.7%
Total	**1,918.3**	**1,889.1**	**-1.5%**	**-1.7%**

Source: LMIC

Cutout Values

The U.S. pork cutout values for the week ending June 21, 2014 averaged US$125.81 per cwt, up US$3.85 per cwt or 3.2 per cent from US$121.96 per cwt from the previous week, and up 17.8 per cent from US$106.79 per cwt the same week a year ago.

Average beef cutout values (Choice 600-900 lb.) for the week ending June 21 averaged US$238.39 per cwt, up US$6.59 per cwt or 2.8 per cent from US$231.80 per cwt from the previous week, and up 19.3 per cent from US$199.82 per cwt the same week a year ago.

Meat In U.S. Cold Storage

USDA released the latest U.S. cold storage numbers today, Monday June 23. The United States' pork stocks in cold storage totaled 575.2 million lb. on May 31, 2014, down 1.5 per cent from 583.9 million lb. on April 30, 2014, and down 12.7 per cent from 658.9 million lb. on May 31, 2013. Ribs and loins in storage declined modestly from April while hams increased by over 30 per cent since April, but are down almost 30 per cent year-over-year.

The U.S. beef stocks in cold storage totaled 378.9 million lb. on May 31, 2014, down 5.8 per cent from 402.3 million lb. on April 30, 2014, and down 21.5 per cent from 482.6 million lb. on May 31, 2013.

Chicken in cold storage totaled 610.1 million lb. on May 31, 2014, up 5.1 per cent from 580.7 million lb. on April 30, 2014, but down 12.2 per cent from 694.8 million lb. on May 31, 2013.

Turkey in cold storage totaled 424.3 million lb. on May 31, 2014, up 13.1 per cent from 375.0 million lb. on April 30, 2014, but down 18.6 per cent from 521.6 million lb. on May 31, 2013.

U.S. combined pork, beef, chicken and turkey stocks in cold storage totaled 1.989 billion lb. on May 31, 2014, up 2.4 per cent from 1.942 billion lb. on April 30, 2014, but down 15.7 per cent from highs of 2.358 billion lb. on May 31, 2013.

United States Stocks in Cold Storage (Frozen)

	1,000 Pounds		
Commodity	**May 31, 2013**	**April 30, 2014**	**May 31, 2014**
Pork	658,947	583,891	575,246
Beef	482,568	402,281	378,899
Chicken	694,853	580,749	610,124
Turkey	521,556	375,013	424,296
Total Combined	**2,357,924**	**1,941,934**	**1,988,565**

Source: NASS

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